

MINUTES
EXECUTIVE COMMITTEE MEETING
ARKANSAS WORKFORCE INVESTMENT BOARD
June 8, 2004

Chairman Steve Lux called to order a meeting of the Executive Committee, Arkansas Workforce Investment Board, at 9:00 a.m. on Tuesday, June 8, 2004, held at the AWIB offices, North Little Rock, Arkansas. Members who were able to participate were Mr. Tom Anderson, Senator Gilbert Baker, Mr. Larry Featherstone, Mr. Alan Hughes, Ms. Catherine Janosky, Mr. Steve Lux, Mr. Jim Putlak, and Mr. Jim Smith. Dr. Steve Franks was unable to attend. Approximately 8 representatives from the public were present and members of the State WIB staff. Ms. Lucretia Norris from the Governor's office and Mr. Artee Williams, AESD Director, also attended.

Mr. Lux began by welcoming members to the meeting. He informed the Executive Committee that the Executive Director, Ms. Sandra Winston, would be on medical leave for six to eight weeks, and Ms. Cindy Varner, AWIB Deputy Director, would be acting as Director until Sandra returns.

Action Item 1 - Minutes: Chairman Lux directed the attention of the Executive Committee to the minutes of the May 11, 2004 Executive Committee meeting on pages 2-4 of the agenda book.

He announced one change on page 2 to add Mr. Artee Williams as having attended the meeting.

The minutes were approved with corrections on a motion made by Jim Putlak, seconded by Tom Anderson, and carried unanimously.

Report of Executive Director: Chairman Lux asked Ms. Varner for the Executive Director's report. Ms. Varner began by providing answers to follow-up questions from the May 11, 2004 Executive Committee meeting. In response to a question posed by Mr. Hughes on May 11, 2004, Ms. Varner stated that 91.8% of all businesses responded to the Occupational Employment Statistics survey conducted by the Bureau of Labor Statistic Programs Section, and 93.2% of businesses with 150-250 employees responded. Ms. Varner provided the answer to a question that was asked by Chairman Lux. She stated that the relative standard error of the occupational survey is 0.6% according to the Occupational Employment Statistics website.

She reported that the Labor Market Information Users Conference went very well. She stated there were 96 attendees, and that the majority seemed pleased with the conference as reflected in evaluation sheets.

Ms. Varner acknowledged that Ms. Sandra Winston met with a representative of the Nursing Commission regarding the nursing shortage in Arkansas. Ms. Varner stated that she will provide a presentation to the Nursing Commission on June 14th regarding the Workforce Investment Act and the Arkansas Workforce Centers.

Ms. Varner mentioned that Mr. Joe Juarez and Mr. Bill Janes, both representatives from the U.S. Department of Labor (USDOL), made a visit to Arkansas to meet with Mr. Artee Williams and Ms. Sandra Winston to share information. Ms. Varner asked Mr. Williams for an update of that meeting. Mr. Williams stated the USDOL representatives met with them as the new directors of the Arkansas Employment Security Department and the Arkansas Workforce Investment Board. He stated they provided insight as to what is happening at the national level regarding workforce development, and specifically how services are rendered at the local level. He stated there is some concern at the national level about how to ensure customers receive services seamlessly from all partners. Mr. Williams explained that in an effort to identify a best practice, funds have been made available at the national level for members of state and local workforce investment boards and staff to visit one-stop centers in other states to see best practices in action. Mr. Williams also stated the USDOL representatives expressed confidence and interest in Arkansas' effort toward workforce development. He mentioned that while attending the National Association of Workforce Development Professionals Conference in Oregon, they visited a one-stop center that appeared seamless and impressed the visitors from Arkansas.

Ms. Varner further reported that Ms. Winston, Mr. Williams, Ms. Jessica Caldwell and Mr. Greg Kirkpatrick, Director and Deputy Director of the Transitional Employment Board, and herself attended the conference of the National Association of Workforce Development Professionals (NAWDP). She stated the conference was in Portland, Oregon on May 23-26. She explained that NAWDP is a professional organization that serves the workforce development community. Ms. Varner explained the reason for the visit was to obtain information about workforce development certification and whether it would be beneficial to Arkansas. She also explained that NAWDP provides a certification for workforce development professionals and may include additional endorsements in management services, job seeker services, and business and employment services. She stated the current certification process is under review for revision.

Ms. Varner stated the directors have been continuing to have dialogue sessions with staff around the state. She stated there would be three sessions at the Central office in June.

Ms. Varner then gave an update on the legislative audit, stating the auditors are still working and plan to have a final report prepared by July. Ms. Varner stated she would keep the board informed of additional information as it becomes available.

A lengthy discussion occurred regarding information from the Executive Director's report. Mr. Featherstone was interested in the one-stop center in Oregon that Mr. Williams referenced in his statements. He asked if the center represented all programs. Mr. Williams explained that the one-stop center visited was a true full service center with access to all state services, to include the workforce center. Mr. Featherstone asked

whether there was any significance in Oregon's approach compared to Arkansas. Mr. Williams explained the purpose was so that the customer would have easy access to all agencies.

Mr. Smith was interested in the information obtained by the directors during the visits made to the local areas. Mr. Williams stated that in his opinion AESD and AWIB should continue to work closely. He also stated that employees need direction, and need to know the organization's goals and how to meet them. He explained that AESD should ensure that there is a clear process for revising memorandums of understanding (MOU) between AESD and the local areas. Mr. Williams stated that AESD, AWIB, and WIA administrators should communicate concerns regarding working relationships between agencies, such as collocating and staffing issues. Mr. Williams stated that he believes that discussing the issues and arriving at a mutual agreement will better the relationship between the state and local areas, and help the local areas become more efficient.

Ms. Janosky was concerned about the mission and goals of the AWIB, and whether they were still the same from a year and a half ago. She wanted examples of specific accomplishments directly related to improving the workforce in Arkansas. She stated that certain industries, such as manufacturing, should be highlighted as a good job and career. She also stated that it was difficult to find good people to fill manufacturing jobs. She stated the board should approach manufacturing industries to try to dissolve the negative stigma of the industry by promoting it as a meaningful occupation.

Chairman Lux explained that Congress' vision regarding WIA was to put money into training to prepare people for better paying jobs. Chairman Lux referred to Mr. Rodney Larsen, One-Stop Operator for Central and Southeast Arkansas, for local area accomplishments. Mr. Larsen explained that he is the one-stop operator for 16 counties. He stated expectations are different in each area. He explained that he believes there is conflict between political and personal perceptions about work in different areas of the state. He informed the Executive Committee that the purpose of the Workforce Investment Act is to provide services. He said the main goal of the workforce centers is to help someone become employed. He stated individuals receive counseling to determine their skills and what it is that they would like to do and then how to help them. He said the workforce centers should explain to people what jobs are available and how much that job pays. He said at that point the counselor should explain, for instance, that a manufacturing job is a good well-paying job.

Mr. Larsen went on to explain that some people need additional support to increase their skills to at least an eighth grade level. He informed the committee that these type of services are available. He explained that some employers require an employee with at least a high school diploma. He explained the workforce center staff attempt to match an individual with the criteria the employer needs. Mr. Larsen went on to explain that is contrary to the way the Employment Security Department operates. Mr. Larsen explained that because there are two different sets of operating procedures, WIA and AESD, there is conflict. Mr. Larsen gave an example; he stated if an individual was not qualified for a position, WIA personnel would not send them to the employer, whereas, AESD procedures require their personnel to send individuals to employers whether they are qualified for the position or not. Mr. Larsen summarized by saying that positive results do happen for the people that come into workforce centers, even though it may

not always be employment, it is some type of service where people may improve themselves.

Ms. Janosky stated she was under the impression that people no longer went to AESD for jobs, but rather the workforce center. Ms. Varner then explained the workforce center is made up of required partners and AESD is one of the required partners. She explained AESD has some standalone offices, which they own or lease, which poses the housing problem. Chairman Lux stated that at one time it was mentioned that instead of the person on unemployment going out and making employer contacts, they should go into the workforce center for services. Mr. Williams stated that these issues could and will be addressed from this point forward.

Ms. Janosky made a motion to have the staff devise a plan and timeline to investigate how to contact businesses in the community about careers within their businesses, and develop a film to show on career days in high schools. Senator Baker seconded the motion with an amendment to read that staff first research programs that are already in place to educate students on potential careers that do not require an advanced post-secondary education. If nothing is already being done, then move forward with developing a timeline as reported in the original motion. The motion was accepted with the amendment and carried unanimously.

Also, additional discussion relating to the motion evolved pertaining to the perception that pursuing college is good, whereas, employment that does not require college is perceived as substandard. Ms. Janosky stated there does not seem to be any focus on trade, although having a trade can be lucrative. Chairman Lux suggested scheduling a meeting with economic development to ensure both agencies are headed in the same direction. Chairman Lux also asked Mr. Williams to research AESD requirements on referring people to employers who may not be qualified for the position.

Action Item 2 – Operations and Management Information System: Chairman Lux instructed the members to turn to page 5 of the agenda book to review an agenda item for a new Operations and Management Information System.

Chairman Lux stated it is recommended that the Executive Committee of the Arkansas Workforce Investment Board allocate \$434,300 of WIA Title I statewide activity funds to operate the Arkansas Workforce Investment System (AWIS) through December 2004 and to replace AWIS with America's Job Link (AJL).

Ms. Sharon Robinette gave a presentation on the Workforce Consortium Management Information System, known as America's Job Link, which will provide for interfacing of at least six other partners to share information about services provided to clients. Ms. Janosky asked Ms. Robinette to expand on the interface cost. Ms. Robinette explained that we are not replacing the partner agency systems, but rather allowing the other systems to be able to communicate with the new WIA system. Ms. Janosky asked how much the interface would cost and whether the other agencies were willing to make the change. Ms. Robinette gave estimated costs for the other agencies and affirmed their interest in adding the interface. Chairman Lux asked of the \$1,022,000 cost per year, how much are WIA funds. Ms. Robinette stated the cost to WIA is \$434,300 for the first

year. There was another question about the allocation of cost between WIA Title I and Title III. Ms. Robinette explained it was based on how much each system is currently paying for six months of usage. She explained the conversion costs are 50/50. Ms. Janosky asked whether the system could be accessed through the internet and was concerned about security. Ms. Robinette explained that there is a state security standard. Ms. Janosky asked whether the board would enter into a contract. Ms. Robinette explained that there would be two contracts, one with AJL through Kansas, and the other with the Arkansas Department of Information Systems. Mr. Smith asked whether there would be a lot of modification that would have to be done in order to implement the system in Arkansas. Ms. Robinette said modification would be minimal.

Ms. Catherine Janosky made a motion to accept the recommendation to allocate \$434,300 of WIA Title I statewide activity funds to operate the Arkansas Workforce Investment System (AWIS) through December 2004 and to replace AWIS with America's Job Link (AJL); Tom Anderson seconded, and the motion carried unanimously.

Action Item 3 – WIA Title I 15% Statewide Activities Budget for PY 2004: Chairman Lux asked the members to turn to page 7 of the agenda book to review the proposed budget for PY 2004 WIA Title I 15% Statewide Activities funds.

Chairman Lux stated it is recommended that the Executive Committee approve the WIA Title I 15% statewide activities budget for program year 2004 (July 1, 2004 – June 30, 2005). Chairman Lux asked Ms. Varner for a report on the proposed budget.

Ms. Varner referred to page 8 of the agenda and explained there would be approximately \$3.7 million in rollover funds from PY 2003. She explained the items with asterisks are rollover budgeted items that are in progress but have not yet been completed and will be expensed out of the rollover funding. Ms. Varner explained various new items on the budget to include AWIB Support and AESD support for WIA activities, conferences, training and technical assistance, MIS System, IWTP Pilot for high growth industries, and a research and demonstration project for one-stop centers. Ms. Varner stated the reason for reductions in AWIB/AESD support was an 8.9% decrease in the state allocation from U.S. Department of Labor. Chairman Lux asked if the reduction was in personnel costs. Ms. Varner explained the reduction was in personnel and travel expenses. Ms. Janosky asked Ms. Varner to explain "technical assistance". Ms. Varner explained that if a local area needed assistance in program operations of WIA, the funds would provide for any cost associated with providing the assistance. Ms. Janosky wanted further clarification on the use of funds for a research and demonstration project. Ms. Varner stated that Ms. Winston is interested in setting aside funds to improve services at workforce centers. She stated any project would be researched and brought back before the board for approval. Ms. Janosky asked whether the demonstration and research funds could be reallocated for other uses. Ms. Varner explained those funds could be reallocated, and also mentioned that there are still some funds that are not projected for any specific use at this time. Ms. Varner stated that staff recommends de-committing funding for three items; Assessment of Technology, Identifying Providers of Services, and Resource, Process, and Service Mapping, due to various reasons that were provided in the agenda on page 7.

Mr. Smith was concerned about why there was no longer an active budget committee. Ms. Varner stated that several members who were on the budget committee are no longer members of the board. She stated Mr. Smith was the only remaining member. Ms. Varner stated the committee could be reestablished, but the budget needed to be reviewed and voted on by the board before July 1, 2004. Discussion then occurred about other committees of the board, such as the strategic committee. Ms. Janosky inquired about a mapping project regarding funding available in Arkansas for education and workforce development. Ms. Varner explained that was a project or goal of the previous director and was not sure of the status of the project, but would find out the status and report back to the board. Chairman Lux added his support for the budget committee to be reestablished.

Mr. Tom Anderson made a motion to accept the recommendation to approve the WIA Title I 15% statewide activities budget for program year 2004 (July 1, 2004 – June 30, 2005); Mr. Larry Featherstone seconded, and was carried unanimously.

Information Item 4 – Report on Relocation/Closures of Arkansas Workforce Centers:
Chairman Lux requested that members turn to page 9, information item 4 of the agenda book.

He stated it has come to the attention of the staff of the Arkansas Workforce Investment Board that at least three local workforce investment areas plan to relocate or close a few Arkansas Workforce Centers.

Mr. Ron Snead provided some background information regarding the Pine Bluff office stating there were some personality conflicts and the building needed repairs; therefore, the WIA operator moved out of the building. He explained that he has been in contact with the Southeast Arkansas Workforce Investment Board chair within the last 30 days, and they are willing to work out the issues. Mr. Snead stated issues that are causing WIA administrators to want to relocate are personality issues, funding levels, and lack of signed Memorandum of Understanding (MOU) between the partners. Ms. Janosky asked why MOUs have not been signed. Chairman Lux stated that several local on-stop operators were present at the meeting, and called Mr. Rodney Larsen, one-stop operator for Central and Southeast local workforce investment areas, for a report on problems encountered by local areas in having signed MOUs. Mr. Larsen explained that there has been little compromise on issues such as resource sharing, and therefore, partners do not agree to sign the MOU. Ms. Janosky asked whether the MOU was not signed due to the certification process recently approved by the board. Mr. Snead reported that the problem with MOUs has been around since the inception of WIA and is required by WIA law. Mr. Snead reiterated that the staff is committed to resolving the issues, mostly financial issues, by communicating with local areas. Discussion evolved about the certification process, ending with the agreement that local areas and the state board agreed upon a set of standards. Chairman Lux stated the state board has limited capabilities about what they can and cannot do, as the local boards are responsible for designing their own system, and Mr. Snead was only bringing this forward as an informational item. Chairman Lux stated that according to WIA law, local areas have the authority to make their own decisions. Mr. Snead recapped that no workforce centers were closing, and this was only information for the board.

Information Item 5 – Workforce Center Signage Survey/PY 2001 One-Stop Grants Funds: Chairman Lux asked the members to turn to page 10, information item 5 of the agenda book.

He stated that an agenda item was previously submitted for consideration to the Arkansas Workforce Investment Board regarding reprogramming of PY 2001 one-stop grant funds. He reminded members that additional information was requested before making a decision to allow the local areas to expend any remaining balance of the one-stop grant on other expenditures. Consequently, the Arkansas Workforce Investment Board staff conducted a survey of the 10 workforce investment areas' signage. Chairman Lux added that West Central Arkansas had signage surveys completed by the due date, but had significant difficulties transmitting it electronically to the AWIB offices in time for the agenda mailing, and as a result, members were provided the information at their seats. Stephanie Carlo provided a presentation on the results of the signage survey.

There was some discussion about the service mark of the logo. Ms. Varner explained that in order to preserve the integrity of the logo against misuse, the previous marketing contractor advised the AWIB to have it service marked, meaning the state board owns the workforce center logo and controls its use. Ms. Janosky explained the importance of having consistency across the state and that image is very important. Ms. Carlo reported that all workforce center signage would be considered in a comprehensive public information campaign, which the board currently has funding to implement. Ms. Carlo also reported that any remaining funding after June 30, 2004 will go back into the state 15% set aside funds, which may be used in another way or for replacement signage, if necessary.

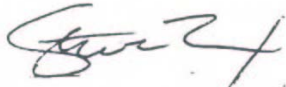
Jim Smith made a motion that any remaining unobligated funds as of 11:30 a.m., June 8, 2004, will be returned to the state. Mr. Tom Anderson seconded. The motion failed. After much discussion, Mr. Hughes made a motion to send notice to the local areas stating they had until June 30, 2004 to obligate PY 2001 One-Stop Grant funds. Mr. Putlak seconded the motion. Chairman Lux asked for any comments or discussion about the motion. Ms. Janosky asked for an amendment to obligate the funds for *all categories*, to include capital improvement and renovation, office furniture and equipment, personnel and fringe, resource materials and supplies, and one-stop signage by June 30, 2004. The amendment was accepted. Alan Hughes called for the question. The motion passed, although Mr. Jim Smith and Mr. Jim Putlak opposed, and Mr. Larry Featherstone abstained.

Information Item 6 – Presentation on Current Employment Statistics: Chairman Lux asked the members to turn to page 11, information item 6 of the agenda book.

Chairman Lux announced the next labor market information product to be introduced to the AWIB executive committee was current employment statistics. He introduced Ms. Bernadette Coleman, who provided a presentation on current employment statistics.

Announcements: Chairman Lux announced that next month's meeting would be a Regular Quarterly Meeting, to be held Tuesday, July 13, 2004, at 9:00 a.m., at the Wyndham Riverfront Hotel, North Little Rock.

Adjourn: With no other announcements or questions, **Chairman Lux adjourned the meeting at 12:03 p.m.**

A handwritten signature in black ink, appearing to read "Steve Lux".

Steve Lux, Chairman

A handwritten signature in black ink, appearing to read "Sandra Winston".

Sandra Winston, Executive Director

*Minutes recorded by Stephanie Carlo
Workforce Investment Board Staff*